

*[House Version of the Bill Creating the Agno River Basin Development Authority with proposed revisions/amendments from the members of the Steering Committee of the ARBDC]*

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

Thirteenth Congress

First Regular Session



**HOUSE BILL NO. 2379**

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**Introduced by Honorable Jose C. de Venecia, Jr., Arthur F. Celeste, Amado T. Espino, Jr., Generoso DC. Tulagan, Mark O. Cojuangco, Conrado M. Estrella III, Gilberto C. Teodoro, Jr., Benigno Simeon C. Aquino III, Jesli A. Lapus, Samuel M. Dangwa, Victor S. Dominguez, Solomon R. Chungalao, Mauricio G. Domogan**

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#### **EXPLANATORY NOTE**

The Agno River is the fifth largest river basin in the Philippines with a catchment area of 8,013.41 square kilometers. It originates from the Cordillera Central Mountains and flows southward through V-shaped gorges in the mountain areas of Benguet and winds through a vast alluvial plain in Tarlac River and to the Lingayen Gulf.

The Agno River Basin, which straddles eight provinces, serves as the lifeblood of the populace of the Regions under CAR, I, II and III. It is the major source of water and is considered as the food basket in the said areas. It is also an energy generator and is among the richest ecosystems in the country.

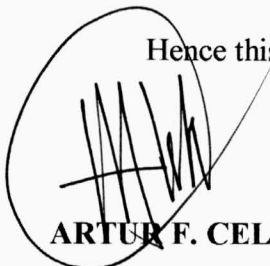
The combined increasing pace of development within the area however, is taking its toll on the river basin's resources. The rapid population growth, increasing urbanization and industrialization of the locality poses a great threat on the environment and natural resources of the river basin. The escalating environmental degradation within the Agno River Basin, if not properly managed, may reach unprecedented proportions.

At present, government agencies as well as non-government organizations are implementing programs for the development of the Agno River Basin. However, due to lack of coordination among the implementing agencies and organizations, the undertaking resulted to overlapping of programs and in some cases, fragmented and conflicting policies occur.

To prevent the occurrence of a major economic and environmental crisis, both the government and non-government organizations must join hands in enhancing the ecological balance of the river. Thus, the need to institutionalize a mechanism that will ensure the participation of all stakeholders in synchronizing and harmonizing development initiatives towards a more sustainable resource management and equitable distribution of benefits.

The creation of the Agno river Basin Development Authority which will serve as a coordinating body to forge inter-regional cooperation and alliances among government organizations and non-government organizations will best address this concern.

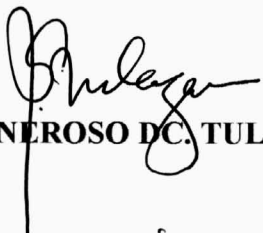
Hence this bill, approval of which is earnestly sought.



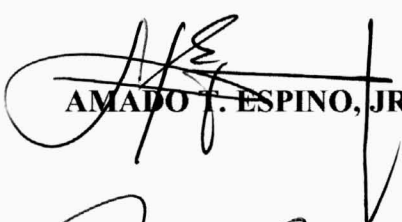
ARTURO F. CELESTE



JOSE C. DE VENECIA, JR.



GENEROSO D.C. TULAGAN



AMADO T. ESPINO, JR.



CONRADO M. ESTRELLA III



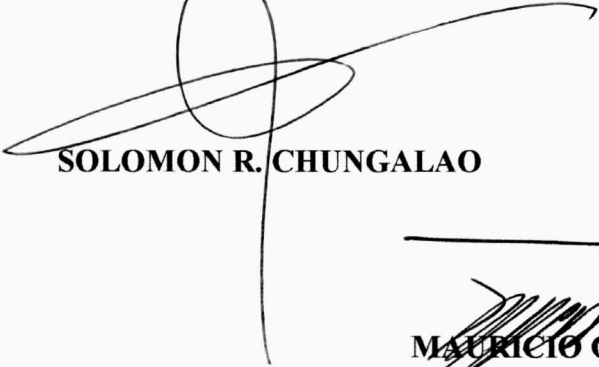
MARK O. COJUANGCO

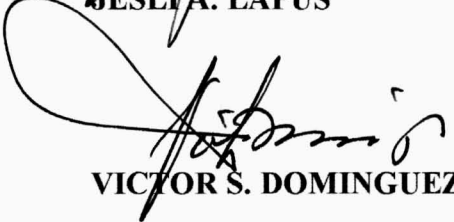
**BENIGNO SIMEON C. AQUINO III**

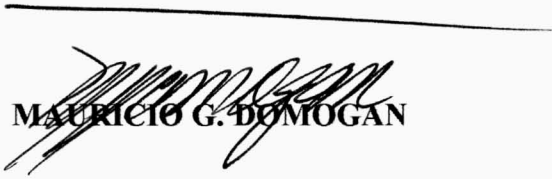
  
**GILBERTO C. TEODORO, JR.**

  
**SAMUEL M. DANGWA**

  
**JESLI A. LAPUS**

  
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**VICTOR S. DOMINGUEZ**

  
**MAURICIO G. DOMOGAN**

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

Twelfth Congress

Second Regular Session

HOUSE BILL NO. 2379

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**Introduced by Honorable Jose C. de Venecia, Jr., Arthur F. Celeste, Amado T. Espino, Jr., Generoso DC. Tulagan, Mark O. Cojuangco, Conrado M. Estrella III, Gilberto C. Teodoro, Jr., Benigno Simeon C. Aquino III, Jesli A. Lapus, Samuel M. Dangwa, Roy S. Pilando, Solomon R. Chungalao, Mauricio G. Domogan**

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**AN ACT**  
**CREATING THE AGNO RIVER BASIN DEVELOPMENT AUTHORITY,**  
**DEFINING ITS POWERS, FUNCTIONS AND RESPONSIBILITIES,**  
**APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES.**

*Be it enacted by the Senate and House of Representatives of the Philippine Congress assembled:*

SECTION 1. ***Title*** – This Act shall be known as the “Agno River Basin Development Authority.”

SEC. 2. ***Declaration of Policy.*** – It is declared policy of the State to promote the integrated management and development of resources in the country’s River Basins, within the context of a river basin approach to optimize economic and social welfare without compromising the sustainability of environmental systems and to ensure a fair sharing of the national patrimony between upland and lowland peoples.

SEC. 3. ***Purposes and Objectives*** – It is the purpose, intent and objective of this Act to :

1. Establish the legal framework and mechanisms for the creation of the Agno River Basin Development Authority;
2. Consolidate and harmonize all development initiatives within the river-basin under the over-all framework of a unified river-basin management and development approach;
3. Maximize the participation of all stakeholders in the area, establishing the most effective approach to effect an active and sustainable collaboration among stakeholders from government agencies, local government units, non-government agencies/peoples' organizations and the private sector;
4. Promote equitable sharing of costs and benefits from the Basin's natural resources across sectors, groups of communities, across space and time; and
5. Negotiate local and external investment in the area, thereby increasing livelihood opportunities for the people within the Basin.

**SEC. 4. *Creation of the Agno River Basin Development Authority*** For the purpose of carrying out and effecting the declared policy, there is hereby created the Agno River Basin Development Authority, hereinafter referred to as the Authority, to carry out an integrated and coordinated approach to planning and management of resources utilization and development within the Basin. The Authority which shall be organized within one hundred twenty days (120) after the approval of this Act, shall execute the powers and functions herein vested and conferred upon it in such a manner as will, in its judgment, aid to the fullest possible extent in carrying out the aims and purposes set forth.

SEC. 5. **Mandate** - The Authority shall be the primary government agency mandated to coordinate all development activities in coordination with appropriate government agencies/local government units/non-government agencies/ people's organizations within the Agno River Basin. It shall ensure an integrated approach to planning and management of resources utilization and development on a basin-wide scale, cutting across politico-administrative limits, and with due regard to the rights of indigenous peoples / indigenous cultural communities over their ancestral lands and ancestral domains under the Indigenous People's Rights Act of 1997 and its attendant Rules and Regulations as may be appropriate.

SEC. 6. **Jurisdiction** - The Authority shall have jurisdiction over all the areas within the watershed of the Agno River with origin from its headwater in Mt. Data, Mountain Province to its main mouth at Lingayen Gulf. The Agno River watershed includes 65 municipalities and 5 cities within the provinces of Benguet, Mountain Province and Ifugao in CAR, the province of Pangasinan in Region I, the province of Nueva Viscaya in Region II, and the provinces of Tarlac and Nueva Ecija in Region III.

SEC. 7. **Location of Principal Office**—The Authority shall maintain its principal office at the most strategically located place, but it may have branch offices in other places as are necessary for the proper conduct of its business.

SEC. 8-A. **Special Functions** – To effectively realize its objectives, the Authority shall exercise and perform the following powers and functions:

- a. To prepare, review, evaluate and update the Agno River Basin Comprehensive Master Plan (ARBMP) in the context of the Regional

Development Plans of RDC CAR, RDC I and RDC III and other area and sectoral plans as basis for proposing improvements in existing policies governing the protection, preservation, management and development of resources within the basin through legislation or other appropriate executive measures; In addition, the ARBDC shall recommend to the President and Congress of the Philippines matters that may require executive directives and congressional legislation in support of the objectives of the ARBMP;

- b. To spearhead the coordination of inter-agency activities within its jurisdiction in the implementation of the ARBMP
- c. To provide the machinery for extending the necessary technical assistance to local government units, line agencies, public corporations, the private sector and affected indigenous cultural communities / indigenous peoples in planning for development projects that have an over-all impact upon the utilization and management of resources within the Agno River Basin;
- d. To provide the machinery for extending the necessary technical assistance for the maintenance, repair and rehabilitation, as may be necessary, of the Binga Dam, Ambuclao Dam and San Roque Multi-Purpose Dam, including the resolution of problems on siltation and flooding.
- e. To establish a functional basin information and database system, including computer-generated planning tools such as GIS for use by planners, managers, technical personnel and the general public in collaboration with

other GIS/MIS systems to encourage the mutually beneficial sharing of data.

- f. To commission or undertake integrated studies, researches and other such undertakings to determine appropriate measures to carry out the development of the River Basin and to generate inputs in support to policy decisions;
- g. To coordinate the integration of all proposed plans, programs and projects of the local government units, line agencies, public corporations and the private sector where such plans, programs and / or projects are related to those of the Authority for the sustainable development of the Basin;
- h. To coordinate and monitor all planning, studies, design and implementation of various programs and projects for the development of the Agno River Basin to ensure that water resources are not depleted and are developed and utilized in a sustainable, equitable and economical manner.
- i. To initiate, receive and recommend project proposals for the development, conservation and management of the basin's water resources;
- j. To receive grants, donations and other forms of development assistance in the discharge of its duties;
- k. To coordinate with existing governmental agencies in establishing water quality standards for industrial, agricultural and municipal waste discharges into the river and to cooperate with said existing agencies in enforcing such standards;

- l. To undertake studies on the improvement and maintenance of the desirable river water quality and in pursuance thereof, prepare a water quality management program on a continuing basis in coordination with relevant agencies, which the Authority shall carry out with the assistance and support of all national and local government units involved in water quality management;
- m. To provide assistance in arbitrating the resolution of inter-regional disputes / conflicts on water;
- n. To plan, program, and or undertake infrastructure projects such as river, flood, waste water and sewerage works, water supply, roads, irrigation, housing and related works when so required within the context of its development plans and programs including the readjustment, relocations or settlement by population within the Basin as may be deemed necessary and beneficial by the Authority;
- o. To engage in tourism development projects, industry, trade or commerce within the river basin can be necessary or contributory to socio-economic development of the basin;
- p. To require LGUs located within the basin to pass appropriate zoning ordinances and other regulatory measures necessary to carry out the objectives of the ARBDA and enhance the same with the assistance of the Authority;

- q. To prepare an annual report in the operation of the Authority more particularly a statement of its financial condition, activities undertaken, progress of programs and projects and plans for the incoming years;
- r. To call upon any government agency, office or bureau for assistance in the discharge of its functions and responsibilities;
- s. To create / exercise such other powers and functions as may be necessary, proper or incidental in the attainment of its mandate.

SECTION 8-B. *Special Power Of The Authority* – The Authority is hereby empowered to collect annual fees for the use of the basin resources for such beneficial purposes as follows: recreation, agriculture and industrial development, fisheries, navigation and waste disposal. All the fees so collected shall be used for the management and development of the river basin and its watershed areas, rates of which shall be subject to the approval of the President of the Philippines.

## CHAPTER II

SECTION 9. *The Corporate Powers of the Authority* – The Authority shall have the following corporate powers:

- a) To succeed on its corporate name;
- b) To sue and be sued in such corporate name;
- c) To adopt, alter and use a corporate seal;
- d) To adopt, amend and repeal its by-laws;
- e) To create and engage in business, either by itself or in partnership with appropriate entities in undertakings that will explore, exploit, extract and

develop economic and business potential in private sector or LGUs or where the national government has or intends to disengage itself.

- f) To enter into contracts of any kind and description, to enable it to carry out its purpose and functions under this Act;
- g) To acquire, buy, purchase, hold or lease, such personal and real property as it deems necessary or convenient in the transaction of its business and/or in relation with carrying out its purposes under this Act; and to lease, mortgage, sell, alienate or otherwise encumber, utilize, exploit or dispose any such personal and real property held by it, subject to prior or existing individual or communal right of private parties or of the government or any agency or enterprise thereof;
- h) To exercise the right of eminent domain whenever the Authority deems it necessary for the attainment of the objectives of the Authority under this Act;
- i) To borrow funds from any local or foreign financial institutions to carry out the purposes of this Authority under this Act;
- j) To issue such rules and regulations as may be necessary to effectively carry out the powers and purposes herein provided including plans, programs and projects of the Authority, subject to the approval of the Office of the President / or agencies supervising government corporations.
- k) For carrying on its business, or for the purpose of attaining or furthering any of its objectives, to perform any and all acts which a corporation, co-

partnership, or natural person is authorized to perform under the laws now existing or which may be enacted hereafter.

### CHAPTER III

SEC. 10. ***Organizational Structure.*** – The Authority shall have a Board of Directors who shall elect among themselves a Chairperson to serve for a term of three years. The Board of Directors shall be supported by a fully-staffed Management Office.

SECTION 11. ***Board of Directors.*** – The corporate powers of the Authority shall be vested in and exercised by a Board of Directors which shall be composed of the following:

- a) One (1) representative from the Office of the President;
- b) Regional Directors of the National Economic Development Authority (NEDA) of Regions CAR, I, II and Region III, on a main and alternate capacities to rotate annually among themselves;
- c) Regional Directors of the Department of Environment and Natural Resources of Regions CAR, I, II and III, on a main and alternate capacities to rotate annually among themselves;
- d) The Regional Directors of the Department of Public Works and Highways (DPWH) of Regions CAR, I, II and III, on a main and alternate capacities to rotate annually among themselves;
- e) The Regional Directors of the Department of Tourism (DOT) of Regions CAR, I, II, and III, on a main and alternate capacities to rotate annually among themselves;

- f) The Executive Director of the National Water Resources Board;
- g) The governors of the provinces of Benguet, Pangasinan and Tarlac;
- h) Three representatives from the non-government organizations, each from CAR, Region I and Region III;
- i) Head of Management Office of the Authority.

SECTION 12. ***Per Diem.*** – The members of the Board shall receive, for every meeting actually attended a per diem of five hundred pesos (P500.00): Provided, that in no case shall the amount received by each Member exceed the sum of two thousand pesos (P2,000.00) per month. Members of the Board shall be reimbursed by the Authority for actual expenses, including traveling and representation expenses, incurred in the performance of their duties for the Authority as authorized by the Board.

SEC. 13. ***Powers and Functions of the Board.*** – The Board of Directors of the Authority shall have the following powers, functions and duties:

- a. To prepare and approve a ten (10) year and a five (5) year development plan, review and expedite the execution of these plans when necessary;
- b. To assume all the powers, functions and authority of the Philippine Ports Authority, the Fisheries Commission and other agencies of the government relative to the inland port, mangroves, river control, fishponds and other areas which may affect any projected development of the inland port of Regions CAR, I, II and III;

- c. To design, approve and execute specific policies and programs for the collection of wharfage fees, harbor fees, cargo fees, arrastre fees, permit fees, and other fees for the establishment of tourism infrastructures and to treat these funds as trust funds which would be plowed back to the infrastructure and development needs of the Agno River Basin;
- d. To prepare, approve and promulgate guidelines, standards, rules and regulations in order to encourage, and stimulate the growth and development of shipping, commerce, trade, tourism, and infrastructure development within the area of operation of the Authority.
- e. To approve contracts such as leases, memoranda of agreements and other arrangements as long as it will promote shipping, tourism, and the growth of business and industry in Regions CAR, I, II and III;
- f. To receive local or foreign aid and donations as well as encourage any form of fund raising for the purpose of gathering development funds for the projects along the Agno River Basin;
- g. To approve a lean and efficient organizational structure, and budget for the Authority after consultation with the concerned sectors;
- h. To appoint and discipline any employee, after according them due process in accordance with existing laws, together with rules and regulations of the Civil Service Commission;

- i. To elect from among the members of the Board of Directors the following Executive Officers: 1) President/Chairman of the board, 2) Vice-Pres./Vice-Chairman of the Board, 3) Secretary: *Provided*, That, the board shall likewise have the corresponding power to replace any of these officials after incurring 3 consecutive absences in the meetings of the Board for acts prejudicial to the objectives of the Authority.
- j. To screen and approve the appointment of the following: General Manager, Assistant General Manager, Treasurer, Administrative Officer, Planning and Management officer, Budget and Finance Officer, Legal Officer, Project Management Officer, Engineering and Construction Officer;
- k. To request a periodic or special audit of all its funds and properties from the Commission on Audit;
- l. To adopt a seal and flag, determine the exact location of its office preferably near its area of operation, and adopt its own rules and proceedings in meetings and general assemblies in accordance with the standards of transparency and democratic parliamentary procedures;
- m. To exercise such powers and perform such functions which are proper and necessary to implement the objectives of the Authority and to carry out the provisions of this Act.

Sec. 14. *Terms of Office of the General Manager.* – The general manager of the Authority shall serve for a fixed term of four (4) years unless removed from office by a vote of two-thirds of the Board of Directors.

SEC. 15. *Residence and Prohibitions.* – The General Manager shall, if practicable, establish his residence within the nearest area where the Agno River Principal's office is established. He shall not, during his tenure of office, engage in any business, profession, or calling other than those connected with the performance of his duties as the General Manager of the Authority.

SEC. 16. *Powers and Duties of the General Manager.* – The General Manager shall have the following powers and functions:

- a. Submit, for consideration of the Board the policies and measures necessary to carry out the purposes and provisions of this Act;
- b. Execute and administer the policies, plans, programs and projects approved by the Board;
- c. Direct and supervise the operation and internal administration of the Authority. The General Manager may delegate some of his administrative responsibilities to other officers of the Authority subject to the rules and regulations of the Board;
- d. Prepare the annual budget of the Authority for consideration of the Board;
- e. Submit, within thirty (30) days after the close of each fiscal year, an annual report to the board and such other reports as may be required; and

- f. Exercise such other powers as may be vested in him by the Board.
- g. Effect the arrest of any person who violates the provisions of this Act, subject to Article 125 and 126 of the Revised Penal Code and the requirement of due process.

Sec. 17. **Key Officials.** – In carrying out the activities of the Authority, the general Manager shall be assisted by the Assistant General Manager who shall have such powers, duties and functions that may be delegated to him by the General Manager, and shall act as General Manager in the absence of or during the temporary incapacity and/or until such time as a new General Manager is duly appointed.

The Authority shall have the following divisions under the direct supervision and control of the General Manager:

- a. An Administrative Division which shall be responsible for providing services relating to personnel, training, information, records, supplies, general services, equipment and security;
- b. A Planning and Management Division which shall be responsible for providing services relating to planning, programming, statistics and project development;
- c. A Budget and Finance Division which shall be responsible for providing staff advice and assistance on budgetary matters and safekeeping of corporate assets;
- d. A Legal Division which shall represent the Authority in Legal actions and proceedings. The Legal Division which shall be responsible for staff advice and assistance on legal matters;

- e. A Project Management Division which shall be responsible for the operation of approved projects, project evaluation and management improvement matters;
- f. An Engineering and Construction Division which shall be responsible for providing services relating to detailed engineering plans and the construction and maintenance of project facilities.

SEC. 18. ***Capitalization and Financing.*** – The Authority shall have an authorized capital of Ten Million Pesos (P10,000,000.00) divided into one million (1,000,000) at ten pesos (P10.00) per value which shall be fully subscribed by the Republic of the Philippines and shall be paid as follows:

- a. The sum of Two Million Pesos (P2,000,000) which is hereby appropriated out of any fund in the National Treasury not otherwise appropriated and from other sources of funds of the National Government which shall be released upon the approval of this Act; and
- b. The sum of One Million Pesos (P1,000,000.00) for each fiscal year thereafter for a period of eight (8) years, from the same sources mentioned in paragraph (a) hereof, which is hereby appropriated for such subsequent years beginning with the third fiscal year following the year of the approval of this act.

SEC. 19. ***Authority Directly Under the Department of Environment and Natural Resources.*** – Any provision of law to the contrary notwithstanding, the Authority shall operate as an independent corporation subject to the supervision of the Department of Environment and natural Resources.

SEC. 20. *Audit by the Commission on Audit (COA).*- All accounts and expenses of the Authority shall be audited by the Commission on Audit or its duly authorized representative.

SEC. 21. *Prohibited Acts.*- It is hereby declared unlawful:

1. To dump solid and hazardous waste and untreated sewage into the Agno River Basin;
2. To dump or throw garbage into the Agno River or its banks;
3. To squat or appropriate the Agno river banks for private use or gain, without seeking approval from the Authority; and
4. To fence off and/or encroach upon Agno river Basin or any portion thereof by any means whatsoever, without approval of the Authority.

SEC. 22. *Penal Clause.* – Any person who violates any of the acts herein prohibited shall be punished by imprisonment of not less than six (6) years and one day nor more than eight (8) years, and a fine of not less than Ten Thousand pesos (P10,000) nor more than One Hundred Thousand pesos (P100,000): *Provided, however,* That in case of violation of this Act by an association, club, partnership, corporations, or any entity, the incumbent officers thereof who have knowingly participated in the violation shall be held liable: *Provided, further,* That if offenders is an alien, he shall be immediately deported without further proceedings in the Bureau of Customs and barred forever from entering the country after serving sentence and paying his fine.

SEC. 23. ***Bar Suit.*** – During the pendency of any legal action before the Authority, no court other than the Supreme Court shall take cognizance of any cause touching the same subject, without leave of the Authority.

SEC. 24. ***Finality of Orders and Appeals*** – The orders of the Authority shall become final and executory after the lapse of fifteen (15) days from the date of receipt thereof. An appeal therefrom may be taken within the fifteen (15) day period only to the Supreme Court.

SEC. 25. ***Transitory Provisions*** – All concerned offices, bureaus, agencies having existing programs and projects in the Agno River Basin that directly corresponds with the powers and functions described in Section 8 of this Act shall immediately transfer such including corresponding appropriations, funds, records, equipments, facilities, rights, other assets and personnel to the Authority within sixty (60) days after the effectivity of this Act.

SEC. 26. ***Repealing Clause.*** – All laws, decrees executive issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby deemed repealed, amended or modified accordingly.

SEC. 27. ***Separability Clause.*** – If for any cause, any part of this Act is declared unconstitutional, the rest of the provisions not affected thereby shall remain in force and effect.

SEC. 28. ***Effectivity.*** – This Act shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette or in a newspaper of general circulation whichever comes earlier.

Approved,